

Message Text

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ACTION NEA-10

INFO OCT-01 AF-10 EUR-12 ISO-00 EB-08 TRSE-00 CIAE-00
INR-10 NSAE-00 PA-01 /052 W
-----122003 051405Z /50

R 051300Z MAR 78
FM AMEMBASSY KUWAIT
TO SECSTATE WASHDC 370
INFO USDOC WASHDC
AMEMBASSY ABU DHABI
AMEMBASSY ALGIERS
AMEMBASSY AMMAN
AMEMBASSY BEIRUT POUCH
USINT BAGHDAD POUCH
AMEMBASSY CAIRO
AMEMBASSY DAMASCUS
AMEMBASSY DOHA
AMEMBASSY JIDDA
AMEMBASSY KHARTOUM
AMEMBASSY MANAMA
AMEMBASSY MUSCAT
AMEMBASSY NOUAKCHOTT
AMEMBASSY PARIS
AMEMBASSY RABAT
AMEMBASSY SANA
AMEMBASSY TRIPOLI
AMEMBASSY TUNIS

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E.O. 11652: N/A
TAGS: ETEL, KU
SUBJECT: COMSAT GENERAL WINS ARABSAT CONSULTING CONTRACT

REF: (A) KUWAIT 0745 (NOTAL), (B) STATE 028371 (NOTAL)

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1. LOCAL PRESS, RADIO AND TV MARCH 4-5 REPORTED THAT
U.S. FIRM, COMSAT GENERAL, HAS BEEN AWARDED 5 YEAR,
\$16-21 MILLION CONTRACT TO HANDLE "CONSULTANCY, OPERATION
AND MAINTENANCE SUPERVISION OF ARABSAT".
IRONICALLY, KUWAITI MEMBER OF ARABSAT BOARD, AL-SABEJ,
WHO ALLEGEDLY HAD BEEN ALLEGED TO HAVE OPPOSED
AGAINST COMSAT (REF B) CONFIRMED

AWARD TO PRESS AND PROVIDED DETAILS, SAYING CONTRACT WOULD BE SIGNED SHORTLY IN RIYADH. COMSAT REPORTEDLY WAS CHOSEN "AS IT OFFERED THE BEST TENDER AND HAD VAST EXPERIENCE AND A WORLD REPUTATION". IN CONVERSATION WITH EMBOFF MARCH 5 AL-SABEJ CORROBORATED HIS COMMENTS ABOUT AWARD TO COMSAT, ADDING "YOU SHOULD BE HAPPY, AS FOR ME, I'M TIRED. THE NEGOTIATIONS WENT ON FOR 11 DAYS NON-STOP, OFTEN TIMES GOING PAST MIDNIGHT."

2. DURING MARATHON NEGOTIATIONS EMBASSY ASSISTED COMSAT IN FINDING BADLY NEEDED SECRETARIAL ASSISTANCE OVER WEEKEND AND ADVISED BOTH COMSAT AND TELECONSULT AGAINST ACCEPTING BOYCOTT LANGUAGE WHICH DURING NEGOTIATIONS WAS PROPOSED BY ARABSAT. BOTH FIRMS APPARENTLY DECIDED TO ASSUME NEGOTIATING STANCE OF INFORMING ARABSAT THAT INSISTENCE ON PROHIBITED LANGUAGE WOULD RESULT IN BOTH FIRMS BEING UNABLE TO BID.

3. AT ONE POINT TELECONSULT EXPRESSED MILD UNHAPPINESS TO EMBOFF AT FACT EMBASSY HAD ALLEGEDLY "DELIVERED" COMSAT PROPOSALS TO KUWAIT MINISTRY OF COMMUNICATIONS, THEREBY SEEMING TO SIDE WITH ONE OF THE COMPETING U.S. FIRMS. EMBOFF SET RECORD STRAIGHT BY POINTING OUT THAT COMSAT COURIER HAD DELIVERED PROPOSALS TO MINISTRY AND THEN INFORMED EMBASSY, WHICH PASSED ON THIS INFO TO COMSAT IN RESPONSE TO COMSAT REQUEST THROUGH THE DEPARTMENT. WE WOULD HAVE LIMITED OFFICIAL USE

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DONE SAME FOR TELECONSULT IF IT HAD ASKED.

4. AWARD WAS APPARENTLY ISSUED ON FRIDAY MARCH 3, DURING LOCAL WEEKEND, AND COMSAT GROUP LEFT KUWAIT SAME DAY. WE WOULD BE INTERESTED IN ANY FURTHER DETAILS ON AWARD OF CONTRACT WHICH DEPARTMENT CAN PROVIDE. WE UNDERSTAND IT COULD LEAD TO MUCH MORE SIGNIFICANT SALES OF U.S. EQUIPMENT AND SERVICES. MAESTRONE

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Message Attributes

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Concepts: TELECOMMUNICATION, CONTRACTS, BUSINESS FIRMS
Control Number: n/a
Copy: SINGLE
Draft Date: 05 mar 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Executive Order: N/A
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ISecure: 1
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Litigation History:
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